

HOUSE BILL 2287  
By McMillan

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 3, Part 7, relative to the creation of the FastTrack Infrastructure Development and Job Training Assistance Program and Fund.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 4, Chapter 3, Part 7 is amended by adding the following as a new appropriately numbered Part:

SECTION 2. This part shall be known as "The Tennessee Job Growth Act of 2005" and is enacted for the purpose of establishing the FastTrack infrastructure development and job training assistance programs within the department of economic and community development to assist new and existing business and industry that locate or expand in this state and create or retain jobs.

SECTION 3.

(a) The FastTrack infrastructure development and job training assistance fund is established as a separate account in the general fund.

(b) The FastTrack infrastructure development and job training assistance fund is composed of:

- (1) Funds appropriated by the general assembly for the FastTrack infrastructure development and job training assistance fund; and
- (2) Gifts, grants and other donations received by the department of economic and community development for the FastTrack infrastructure development and job training assistance fund.

(c) Money in the FastTrack infrastructure development and job training

assistance fund may be used by the department of economic and community development for program administration, marketing expenses and program evaluation; however, such expenses shall not exceed five (5%) of the total amount appropriated for the program in any fiscal year.

- (d) Subject to the availability of revenue at the end of each fiscal year, the commissioner of finance and administration is authorized to carry forward any amounts remaining in the FastTrack infrastructure development and job training assistance fund or transfer any part of the fund to the revenue fluctuation reserve.
- (e) Moneys in the FastTrack infrastructure development and job training assistance fund shall be invested by the state treasurer pursuant to title 9, chapter 4, part 6, for the sole benefit of the FastTrack infrastructure development and job training assistance fund, and interest accruing on investments and deposits of such fund shall be returned to such fund and remain part of the FastTrack infrastructure development and job training assistance fund.
- (f) It is the intent of the general assembly that, to the extent practicable, money from the FastTrack infrastructure development and job training assistance programs shall be spent in all areas of the state.
- (g) It is the legislative intent that new commitments made by the commissioner of economic and community development for grants in the FastTrack programs shall not exceed the appropriations made for the purposes of these programs. The commissioner of economic and community development is authorized, subject to the concurrence of the state funding board, to determine that amount of new commitments

unlikely to be accepted based on historical program trends and may over-commit to the extent of such determination. In no event may such over-commitments exceed thirty percent (30%) of the appropriations available for new grants. It is further the legislative intent that in each fiscal year the FastTrack programs be managed so that actual expenditures and obligations to be recognized at the end of the fiscal year shall not exceed any available reserves and appropriations of the programs.

- (h) No less frequently than quarterly, the commissioner of economic and community development shall report to the commissioner of finance and administration the status of the appropriations for the FastTrack programs, such report to include at least the following information: the amount of each commitment accepted since the previous report and the name of the company receiving the benefit of such commitment, the total outstanding commitments and the total unobligated appropriation. A copy of each such report shall be transmitted to the Speaker of the House and the Speaker of the Senate, the Chairmen of the Finance, Ways and Means Committees, the State Treasurer and the State Comptroller.

#### SECTION 4.

- (a) FastTrack infrastructure development and training grants from the FastTrack infrastructure development and industrial training fund shall be made only where there is a commitment by a responsible official in an eligible business for the creation or retention of private sector jobs and private investment, or where, the commissioner of economic and community development determines that such investment will have a direct impact on employment and investment opportunities in the future.

- (b) FastTrack industrial infrastructure and industrial site preparation grants or loans to assist eligible businesses may be made only to local governments or to their economic development organizations or other political subdivisions of the state.

Infrastructure grants may not be applied to private land or to land that is expected to become privately owned.

- (c) FastTrack industrial training grants from the FastTrack infrastructure development and industrial training fund shall be awarded only to eligible businesses for industrial training under the following conditions:

- (1) To support the training of new employees for locating or expanding industries;
- (2) To support the retraining of existing employees where retraining is required by the installation of new machinery or production processes.

- (d) The total amount of FastTrack grants or loans made pursuant to these programs shall not exceed seven hundred fifty thousand dollars (\$750,000) per eligible business within any three (3) year period beginning July 1, 2005 unless approved by the state funding board. The state funding board is authorized to establish, by policy or action, the process by which the commissioner of economic and community development shall seek and receive approval for such grants and loans to exceed the dollar limitation.

- (e) In determining the level of grant assistance for infrastructure and site preparation consideration shall be given to local ability-to-pay with areas of lesser ability being eligible for higher grant rates.

- (f) As used in this part, unless the context otherwise requires:
- (1) “Eligible business” means:
- (A) Manufacturing and other types of economic activities which export more than half of their products or services outside of Tennessee; or
  - (B) Businesses where more than half of their products or services enter into the production of exported products; or
  - (C) Businesses where the uses of their products primarily result in import substitution on the replacement of imported products or services with those produced in the state; or
  - (D) Other types of economic activity, including but not limited to, research funding, technology projects and other projects that contribute significantly to community development education as determined by the commissioner of economic and community development to have a beneficial impact on the economy of the state.
- (2) “Industrial Infrastructure” includes, but is not limited to, water, wastewater, or transportation systems; line extensions or industrial site preparation where it is demonstrated that such infrastructure improvements are necessary for the location or expansion of business or industry. Industrial infrastructure also means significant technological improvements, including, but not limited to, digital switches, fiber optic cabling or other technological improvements determined by the commissioner of

economic and community development to have a beneficial  
impact on the economy of this state.

SECTION 5. This act shall take effect upon becoming law, the public welfare requiring it.